IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF NORTH CAROLINA BRYSON CITY DIVISION

FILED ASHEVILLE, N.C.

CIVIL NO. 2:06CV32

OCT 29 2007

CHRISTIAN MARTIAL ARTS AND FITNESS CENTER, INC. d/b/a CHRISTIAN MARTIAL ARTS CENTER, a North Carolina non-profit corporation,	W. DISTRICT COURT W. DIST. OF N.C.
Plaintiff,)
v.))
ENGLISH STONE d/b/a CHRISTIAN FAMILY MARTIAL ARTS ACADEMY, a sole proprietorship,)))
Defendant.))
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CONSENT JUDGMENT

The parties to this litigation, in order to avoid further litigation with its concomitant risk and expense, and wishing to settle this entire litigation, have consented to the entry of this Consent Judgment by the Court, this Consent Judgment encompassing all issues in this litigation and all issues which could have been brought in this litigation. The parties therefore submit this Consent Judgment to the Court for the Court's review and approval as a Consent Judgment of this Court. The Court having reviewed the provisions of this Consent Judgment, and the Court finding that the

Consent Judgment of the parties addresses all issues in this litigation, and it being in the interest of justice, the Court hereby issues this Consent Judgment as follows.

IT IS, THEREFORE, ORDERED, ADJUDGED and DECREED that:

- 1. As used herein, the term "Plaintiff" shall refer to the plaintiff and its employees, agents, directors, and shareholders; the term "Defendant" shall refer to the defendant and his employees and agents; the term "the Parties" shall refer to Plaintiff and Defendant collectively; and the term "Party" shall refer to Plaintiff and Defendant individually.
- 2. On or before Wednesday, June 6, 2007, Defendant shall permanently discontinue all use of the CHRISTIAN FAMILY MARTIAL ARTS ACADEMY mark and shall adopt and begin use of a substitute mark that shall begin with one of the following words or phrases: "Stone," "English Stone," "Stone's," or "English Stone's"; may include the word "Christian" and the phrase "Tae Kwon Do"; and shall not include the phrase "martial arts." Defendant shall refrain from using any mark that is confusingly similar to the CHRISTIAN MARTIAL ARTS CENTER mark. The Parties agree that any substitute mark meeting the parameters set forth in this Paragraph 2 is not confusingly similar to the CHRISTIAN

MARTIAL ARTS CENTER mark.

3. Except as otherwise set forth in this Paragraph 3, the Parties shall refrain from making, posting, or publishing any oral or written statements referring or relating to one another and the events that have transpired between one another, including but not limited to this lawsuit and the settlement thereof. The Parties shall be permitted to make, post, and publish, both orally and in writing, the following statement:

Christian Martial Arts Center and Mr. English Stone wish to make the following joint statement to the community. Mr. Stone was a Tae Kwon Do instructor at Christian Martial Arts Center. Mr. Stone started his own Tae Kwon Do school under the name Christian Family Martial Arts Academy. A dispute between Mr. Stone and the Center regarding the confusing similarity of the names of the two schools has been resolved. Mr. Stone has renamed his school Stone's Olympic Style Tae Kwon Do Academy. Christian Martial Arts Center and Stone's Olympic Style Tae Kwon Do Academy remain unaffiliated, and they both look forward to continuing to offer Christ centered martial arts instruction at their respective schools.

None of the above shall preclude any person from accessing, copying, reading, or otherwise using this Consent Judgment, as the Consent Judgment is part of the public record maintained by this Court.

4. Subject to the terms of this Consent Judgment, each Party, on behalf of its predecessors, successors, parents, subsidiaries, affiliates, officers, directors, agents, employees, partners, heirs, and assigns, hereby fully

releases and discharges every other Party, together with its predecessors, successors, parents, subsidiaries, affiliates, officers, directors, agents, employees, partners, heirs, and assigns, from any and all claims, causes of action, controversies, debts, demands and disputes of any nature, whether known or unknown, asserted or unasserted, throughout the world from the beginning of time up to the date of the last signature affixed hereto by a Party. Each Party represents and warrants that it owns the claims released herein, that it has the capacity and full authority to grant this release and to enter into this Consent Judgment, and that no other person or entity has the right to assert any claim purportedly released hereunder.

- 5. The Parties agree that entering this Consent Judgment is not an admission by either Party of any unlawful conduct or other liability, but is entered for purposes of resolving disputed claims.
- 6. The Parties attest that this Consent Judgment has been fully and thoroughly read by the Parties, that the Parties have had the opportunity for their attorneys to review this Consent Judgment, and that this Consent Judgment is voluntarily made.
- 7. The Parties shall each be responsible for their own attorney fees, costs, and expenses incurred in this lawsuit.

- 8. All claims brought by Plaintiff in this matter are hereby dismissed with prejudice except to the extent that such claims survive due to the ongoing applicability and enforceability of the terms of this Consent Judgment.
- 9. The Parties agree that their execution of this Consent Judgment on separate signature pages binds the Parties to the terms recited in this Consent Judgment to the same degree as if the Parties executed this Consent Judgment on the same signature page.

THIS the $\sqrt{2\pi}$ day of October, 2007.

LACY H. THORNBURG

U.S. DISTRICT COURT JUDGE

CONSENTED TO:

Attorney for Plaintiff:

CARTER SCHNEDLER & MONTEITH, P.A.

/s David M. Carrer

David M. Carter (N.C.S.B. #8605) 56 Central Avenue, Suite 101 Post Office Box 2985 Asheville, NC 28802 Telephone: (828) 252-6225 Attorney for Defendant:

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CHRISTIAN MARTIAL ARTS AND FITNESS CENTER, INC. d/b/a

Rev. Sleven C. Alred (SEAL)

Chairman of the Board of Directors

ENGLISH STONE d/b/a CHRISTIAN FAMILY MARTIAL ARTS ACADEMY

English Stone

(SEAL)